

**{As Prepared for Delivery}**

**Indianapolis Ethanol Summit  
Indianapolis Motor Speedway  
May 25, 2006**

**Thomas C. Dorr  
Remarks**

**Thank you. I'm excited to be here. This is a legendary place, and for Indy cars to adopt ethanol is a very important statement of support for a very high national priority.**

**USDA, as I'm sure most of you know, has supported ethanol for many years. We have helped nurture the industry from a regionally-based niche product to its current size -- about 4.5 billion gallons last year. At USDA Rural Development, we recognize ethanol not only as a fuel of the future, but also as a great emerging opportunity for economic growth for farmers and across rural America.**

**So for us, this is an exciting time. Ethanol is reaching the liftoff stage. It's going mainstream. Reducing our dependence on imported oil is a high priority, and ethanol -- which is already blended into 30% of our gasoline -- is part of the solution.**

**What the Indy Racing League is doing -- putting American grown, American produced ethanol in the fuel tanks at the premier motor sports event in the world -- is a very powerful public endorsement of this accelerating trend.**

**So to all of the Indy racing people here -- the drivers, Tony George, Jeff Horton, Roger Griffiths, and the many others who aren't on stage today -- thank you. This is an important contribution to America's energy independence.**

**Since that first spigot of ethanol was pumped in 1976, we have certainly come a long way. I am an old Iowa farmer. I've spent most of my life up near Marcus, in the northwestern corner of the state, growing what you grow in Iowa ... which is just about the same things you grow in Indiana -- corn, soybeans, and hogs.**

**As a Midwestern corn farmer, naturally I've grown up with ethanol. I can remember when a big ethanol event was a ribbon cutting for the gasohol pump down at the coop. Times sure have changed.**

**Today we're seeing ethanol plants popping up everywhere. I checked with the Renewable Fuels Association before flying out yesterday – you have to check every couple of weeks because the numbers keep growing – and currently there are now over 100 ethanol plants operating in this country with 35 more under construction and 9 being expanded.**

**Becky Skillman will be speaking in a moment about Indiana, but I'll just note that Indiana, right in the heart of the corn belt, a few years ago was standing flat-footed on ethanol. There was just one plant in operation. That has changed in a hurry, and Becky and Governor Daniels deserve a lot of credit for changing the climate and getting things moving right here.**

**There's a lot going on, not only in Indiana but nationally. President Bush has been way out in front on this. It is ancient history now, but it's important to remember that a comprehensive energy bill was one of President Bush's first priorities after taking office in 2001.**

**Obviously there was some political opposition. That's nothing new -- on energy, there is always opposition to anything you want to do. If you want to create controversy in Washington, just say the word "energy" and then look for cover.**

**But President Bush hung tough for 5 years to finally get an energy bill passed last summer. He then followed up with the Advanced Energy Initiative focused on transportation fuels and better ways to power our homes and businesses.**

**The strategy is straightforward. The United States will, in the long run, deal from strength, not weakness. We do have a costly addiction to imported oil. But we can kick that addiction if we make up our minds to do so. The President is determined to do just that.**

**The United States has extensive supplies of clean, safe energy. These include significant reserves of conventional oil, natural gas, and coal.**

**The United States, incidentally, isn't the first country to walk down this road. We're not the world leader on ethanol products. Brazil is. You**

**might be hearing a lot more about that from the Brazilians in years to come, because they produce some pretty good race car drivers as well.**

**That said, U.S. consumption of ethanol last year reached nearly 4 billion gallons, more than doubling the level of 2000. To keep the growth on pace, the Energy Bill established a Renewable Fuels Standard of 7.5 billion gallons per year by 2012.**

**The President and Congress have also extended the ethanol tax incentive ... doubled the size limitation for the small producer tax credit ... and provided a tax credit of up to \$30,000 for the installation of clean fuel infrastructure such as storage tanks and pumps.**

**Looking a bit further down the road, President Bush has also proposed \$150 million in 2007 – a 65 percent increase – in research funding on ways to produce ethanol cost effectively from cellulosic feedstocks like corn stalks, forestry byproducts, and switchgrass.**

**If we can solve that riddle -- and I think we will -- we can bypass the acreage limitations on corn based ethanol and dramatically lower the costs while increasing the supply many times over.**

**That's on the research end. At USDA Rural Development, we're investing in the commercialization of new energy sources. Since 2001, we've invested over \$350 million in 650 renewable energy or energy efficiency projects. 147 of those have been ethanol and biodiesel projects. This is a top priority for us looking ahead.**

**We're involved in this because so many of these new technologies, including ethanol, are rural and agricultural based. They are therefore very significant economic opportunities for investment, job growth, and wealth creation in rural America.**

**Others here are involved for other reasons. This is a national security issue. It's a balance of trade and international competitiveness issue. It's an environmental issue. And, again, it's good for farmers and the rural economy.**

**Ethanol is a winner on all these fronts. Public perceptions are changing, and ethanol is gaining acceptance in the marketplace. The leadership of the Indy Racing League is a significant contribution to that evolution. So thank you again for pitching in on this -- and good luck and good racing come Sunday.**